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# HOUSE BILL No. 1347

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 7.1-3-27.

**Synopsis:** Alcoholic beverage licensee liability insurance. Requires a person who holds a license or permit to sell or deliver alcoholic beverages for consumption on or off the licensed or permitted premises to procure and maintain a policy of liability insurance after December 31, 2007, to cover the person's liability for damages that arise out of the person's sale or delivery of alcoholic beverages. Provides a procedure for a person who holds a license or permit to obtain a certificate of self-insurance from the department of insurance. Requires the commissioner of the department of insurance to adopt rules to establish minimum amounts of insurance and self-insurance coverage.

**Effective:** Upon passage.

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## Welch, Bell, Koch

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January 16, 2007, read first time and referred to Committee on Public Policy.

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Introduced

First Regular Session 115th General Assembly (2007)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2006 Regular Session of the General Assembly.

## HOUSE BILL No. 1347

A BILL FOR AN ACT to amend the Indiana Code concerning alcohol and tobacco.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 7.1-3-27 IS ADDED TO THE INDIANA CODE  
2 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
3 UPON PASSAGE]:

4 **Chapter 27. Liability Insurance**

5 **Sec. 1. After December 31, 2007, a person who:**

- 6 (1) holds a license or permit issued under this title; and  
7 (2) sells or delivers alcoholic beverages for consumption:  
8 (A) on the licensed or permitted premises; or  
9 (B) off the licensed or permitted premises;

10 shall procure and maintain a policy of liability insurance to cover  
11 the person's liability for damages that arise out of the person's sale  
12 or delivery of alcoholic beverages.

13 **Sec. 2.** Notwithstanding section 1 of this chapter, the department  
14 of insurance may, upon the application of a person described in  
15 section 1 of this chapter, issue a certificate of self-insurance if the  
16 department of insurance is satisfied that the person making the  
17 application is possessed and will continue to be possessed of the



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1 ability to pay a judgment obtained against the person for damages  
2 that arise out of the person's sale or delivery of alcoholic  
3 beverages.

4 Sec. 3. The minimum amounts of insurance and self-insurance  
5 coverage required under this chapter shall be established in rules  
6 adopted by the commissioner of the department of insurance.

7 Sec. 4. A person who violates this chapter is subject to the  
8 penalties described in IC 7.1-3-23.

9 Sec. 5. The commissioner of the department of insurance shall  
10 adopt rules under IC 4-22-2 to implement this chapter.

11 SECTION 2. [EFFECTIVE UPON PASSAGE] (a) The  
12 commissioner of the department of insurance shall adopt rules  
13 under IC 4-22-2 to implement IC 7.1-3-27, as added by this act,  
14 before January 1, 2008.

15 (b) This SECTION expires January 2, 2008.

16 SECTION 3. An emergency is declared for this act.

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